

103^D CONGRESS
2^D SESSION

H. R. 2442

AN ACT

To reauthorize economic development programs under the Public Works and Economic Development Act of 1965 and the Appalachian Regional Development Act of 1965 for fiscal years 1994 through 1996, and for other purposes.

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To reauthorize economic development programs under the Public Works and Economic Development Act of 1965 and the Appalachian Regional Development Act of 1965 for fiscal years 1994 through 1996, and for other purposes.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLE; TABLE OF CONTENTS.**

4 (a) SHORT TITLE.—This Act may be cited as the
5 “Economic Development Reauthorization Act of 1994”.

6 (b) TABLE OF CONTENTS.—

Sec. 1. Short title; table of contents.

TITLE I—ECONOMIC DEVELOPMENT PROGRAMS

- Sec. 101. Grants for public works and development facilities.
- Sec. 102. Projects constructed under projected cost.
- Sec. 103. Changed project circumstances.
- Sec. 104. Other financial assistance.
- Sec. 105. Technical assistance, research, and information.
- Sec. 106. Business outreach center demonstration project.
- Sec. 107. Office of Strategic Economic Development Planning and Policy.
- Sec. 108. Office of Economic Development Information.
- Sec. 109. Area eligibility.
- Sec. 110. Investment strategy.
- Sec. 111. Economic development districts.
- Sec. 112. Administration.
- Sec. 113. Expedited processing of applications.
- Sec. 114. Uniform application form.
- Sec. 115. Study of grant selection criteria.

- Sec. 116. Performance evaluations of grant recipients.
- Sec. 117. Study of guaranteed loan program.
- Sec. 118. Miscellaneous.
- Sec. 119. Acceptance of applicants' certifications.
- Sec. 120. Supervision of regional counsels.
- Sec. 121. Economic recovery for disaster areas.
- Sec. 122. Special economic development and adjustment assistance.
- Sec. 123. Treatment of revolving loan funds.
- Sec. 124. Outreach to communities adversely affected by defense base closures.
- Sec. 125. Sale of financial instruments in revolving loan funds.
- Sec. 126. Economic development challenge grants demonstration project.
- Sec. 127. Authorization of appropriations.
- Sec. 128. References to the Secretary.
- Sec. 129. Compliance with Buy American Act.

TITLE II—APPALACHIAN REGIONAL DEVELOPMENT

- Sec. 201. Findings and purposes.
- Sec. 202. Meetings.
- Sec. 203. Authorizations for administrative expenses.
- Sec. 204. Extension of lease terms.
- Sec. 205. Highway system.
- Sec. 206. Supplements to Federal grant-in-aid programs.
- Sec. 207. Program development criteria.
- Sec. 208. Grants for administrative expenses and demonstration projects.
- Sec. 209. Authorization of appropriations for general program.
- Sec. 210. Definition of Appalachian region.
- Sec. 211. Extension of termination date.
- Sec. 212. Regional development task force.
- Sec. 213. Compliance with Buy American Act.

TITLE III—BUSINESS DEVELOPMENT ASSISTANCE

- Sec. 301. Short title.
- Sec. 302. Findings, purposes, and definitions.
- Sec. 303. Consolidation of information on technologies.
- Sec. 304. Business development and technology commercialization corporation.
- Sec. 305. Assistance to businesses in securing financing.
- Sec. 306. Savings provision.
- Sec. 307. Rule of construction.

- 1 **TITLE I—ECONOMIC**
- 2 **DEVELOPMENT PROGRAMS**
- 3 **SEC. 101. GRANTS FOR PUBLIC WORKS AND DEVELOPMENT**
- 4 **FACILITIES.**
- 5 (a) DIRECT AND SUPPLEMENTARY GRANTS.—
- 6 (1) ELIGIBLE APPLICANTS.—Section 101(a) of
- 7 the Public Works and Economic Development Act of

1 1965 (42 U.S.C. 3131(a)) is amended in the matter
2 preceding paragraph (1) by striking “representing
3 any redevelopment area or part thereof” and insert-
4 ing “acting in cooperation with officials of local gov-
5 ernments”.

6 (2) DIRECT GRANTS.—Section 101(a)(1) of
7 such Act (42 U.S.C. 3131(a)(1)) is amended—

8 (A) in the matter preceding subparagraph
9 (A) by inserting “design and engineering,”
10 after “acquisition,”; and

11 (B) in subparagraph (A) by striking “or
12 otherwise substantially further the objectives of
13 the Economic Opportunity Act of 1964”.

14 (b) AMOUNT OF SUPPLEMENTAL GRANTS.—The last
15 sentence of section 101(c) of such Act (42 U.S.C. 3131(c))
16 is amended—

17 (1) by striking “area,” and inserting “area
18 and”; and

19 (2) by striking “, and the amount of” and all
20 that follows before the period.

21 (c) AUTHORIZATION OF APPROPRIATIONS.—Section
22 105 of such Act (42 U.S.C. 3135) is amended to read as
23 follows:

1 **“SEC. 105. AUTHORIZATION OF APPROPRIATIONS.**

2 “(a) IN GENERAL.—There is authorized to be appro-
3 priated to carry out this title \$160,000,000 for fiscal year
4 1994 and \$175,000,000 per fiscal year for each of fiscal
5 years 1995 and 1996. Such sums shall remain available
6 until expended.

7 “(b) LIMITATION ON EXPENDITURES IN CERTAIN
8 AREAS.—Not more than 35 percent of the amounts appro-
9 priated pursuant to subsection (a) in a fiscal year may
10 be expended for projects located in areas described in sec-
11 tion 401(a)(4).

12 “(c) LIMITATION ON EXPENDITURES FOR DESIGN
13 AND ENGINEERING.—Not more than 20 percent of the
14 amounts appropriated pursuant to section (a) in a fiscal
15 year may be expended for design and engineering.”.

16 (d) SEWER FACILITIES.—Title I of such Act (42
17 U.S.C. 3131–3137) is amended by striking section 106
18 and redesignating section 107 as section 106.

19 (e) CONSTRUCTION COST INCREASES.—Section 106
20 of such Act, as redesignated by subsection (d) of this sec-
21 tion, is amended by inserting a period after “such costs”
22 and striking all that follows.

1 **SEC. 102. PROJECTS CONSTRUCTED UNDER PROJECTED**
2 **COST.**

3 Title I of the Public Works and Economic Develop-
4 ment Act of 1965 (42 U.S.C. 3131–3137) is amended by
5 adding at the end the following:

6 **“SEC. 107. USE OF FUNDS IN PROJECTS CONSTRUCTED**
7 **UNDER PROJECTED COST.**

8 “In any case where a grant (including a supplemental
9 grant) has been made under this title for a project, and
10 after such grant has been made but before completion of
11 the project the cost of such project based upon the designs
12 and specifications which were the basis of the grant has
13 decreased because of decreases in costs, such underrun
14 funds may be used to improve the project either directly
15 or indirectly as determined by the Secretary.”.

16 **SEC. 103. CHANGED PROJECT CIRCUMSTANCES.**

17 Title I of the Public Works and Economic Develop-
18 ment Act of 1965 (42 U.S.C. 3131–3137) is further
19 amended by adding at the end the following:

20 **“SEC. 108. CHANGED PROJECT CIRCUMSTANCES.**

21 “In any case where a grant (including a supplemental
22 grant) has been made under this title for a project, and
23 after such grant has been made but before completion of
24 the project the purpose or scope of such project based
25 upon the designs and specifications which were the basis
26 of the grant has changed, the Secretary may approve the

1 use of grant funds on such changed project if the Sec-
2 retary determines that such changed project meets the re-
3 quirements of this title and that such changes are nec-
4 essary to enhance economic development in the area.”.

5 **SEC. 104. OTHER FINANCIAL ASSISTANCE.**

6 (a) PUBLIC WORKS AND DEVELOPMENT FACILITY
7 LOANS.—

8 (1) ELIGIBLE APPLICANTS.—Section 201(a) of
9 the Public Works and Economic Development Act of
10 1965 (42 U.S.C. 3141(a)) is amended in the matter
11 preceding paragraph (1) by striking “representing
12 any redevelopment area or part thereof” and insert-
13 ing “acting in cooperation with officials of local gov-
14 ernments”.

15 (2) CRITERIA.—Section 201(a)(1)(C) of such
16 Act (42 U.S.C. 3141(a)(1)(C)) is amended by strik-
17 ing “or otherwise substantially further the objectives
18 of the Economic Opportunity Act of 1964”.

19 (b) TERMS AND CONDITIONS.—Section 202(b) of
20 such Act (42 U.S.C. 3142(b)) is amended—

21 (1) in paragraph (6) by striking “it is deter-
22 mined” and inserting “the Secretary determines”;
23 and

24 (2) in paragraph (7) by striking “hereunder for
25 a period” and all that follows through “the foregoing

1 restrictions on maturities” and inserting “under this
2 section for a term of maturity of more than 25 years
3 and no evidences of indebtedness which matures
4 more than 25 years after the date of purchase may
5 be purchased under this section; except that this
6 paragraph”.

7 (c) REDEVELOPMENT AREA LOAN PROGRAM.—Title
8 II of such Act (42 U.S.C. 3141–3144) is amended by
9 striking section 204.

10 **SEC. 105. TECHNICAL ASSISTANCE, RESEARCH, AND INFOR-**
11 **MATION.**

12 (a) TECHNICAL ASSISTANCE.—

13 (1) URBAN AREAS WITH POPULATIONS OF
14 400,000 OR LESS.—Section 301(a) of the Public
15 Works and Economic Development Act of 1965 (42
16 U.S.C. 3151(a)) is amended by adding at the end
17 the following: “In providing assistance under this
18 subsection, the Secretary shall take into consider-
19 ation the unique development needs of urban areas
20 with populations of 400,000 or less.”.

21 (2) GRANTS FOR ADMINISTRATIVE EX-
22 PENSES.—The last sentence of section 301(b) of
23 such Act (42 U.S.C. 3151(b)) is amended by strik-
24 ing “urban planning grants, authorized under the
25 Housing Act of 1954, as amended,” and inserting

1 “planning activities described in section 105(a)(13)
2 of the Housing and Community Development Act of
3 1974”.

4 (3) REPEALS.—Section 301 of such Act (42
5 U.S.C. 3151) is amended by striking subsections (c),
6 (e), and (f) and redesignating subsection (d) as sub-
7 section (c).

8 (b) ECONOMIC DEVELOPMENT PLANNING.—

9 (1) DIRECT GRANTS.—The 7th sentence of sec-
10 tion 302(a) of such Act (42 U.S.C. 3151a(a)) is
11 amended by striking “and shall be available” and all
12 that follows before the period at the end.

13 (2) TECHNICAL ASSISTANCE.—Section 302 of
14 such Act (42 U.S.C. 3151a) is amended by striking
15 subsection (b) and redesignating subsection (c) as
16 subsection (b).

17 (3) USE OF OTHER PLANNING ASSISTANCE.—
18 Section 302(b) of such Act, as redesignated by para-
19 graph (2) of this subsection, is amended by striking
20 “shall be used in accordance with the review proce-
21 dure required pursuant to title IV of the Intergov-
22 ernmental Cooperation Act of 1968 and”.

23 (c) AUTHORIZATION OF APPROPRIATIONS.—Section
24 303 of such Act (42 U.S.C. 3152) is amended to read as
25 follows:

1 **“SEC. 303. AUTHORIZATION OF APPROPRIATIONS.**

2 “There is authorized to be appropriated to carry out
3 this title \$37,100,000 for fiscal year 1994 and
4 \$50,000,000 per fiscal year for each of fiscal years 1995
5 and 1996. Such sums shall remain available until ex-
6 pended.”.

7 (d) SUPPLEMENTAL AND BASIC GRANTS.—Title III
8 of such Act (42 U.S.C. 3151–3153) is amended by strik-
9 ing section 304.

10 **SEC. 106. BUSINESS OUTREACH CENTER DEMONSTRATION**
11 **PROJECT.**

12 Title III of the Public Works and Economic Develop-
13 ment Act of 1965 (42 U.S.C. 3151–3153) is amended by
14 adding at the end the following:

15 **“SEC. 304. BUSINESS OUTREACH CENTER DEMONSTRATION**
16 **PROJECT.**

17 “(a) IN GENERAL.—The Secretary shall conduct a
18 project in each of fiscal years 1994 through 1996 with
19 funds made available under this title for the purpose of
20 demonstrating methods of assisting isolated small busi-
21 nesses to access small business services provided by Fed-
22 eral, State, and local governments.

23 “(b) ESTABLISHMENT OF CENTERS.—In conducting
24 the demonstration project under this section, the Sec-
25 retary shall establish 3 business outreach centers. At least
26 1 of the centers shall be located in a rural area.

1 “(c) PURPOSE OF CENTERS.—It shall be the purpose
2 of each business outreach center established under this
3 section—

4 “(1) to provide a one-stop clearinghouse to as-
5 sist isolated small businesses in accessing small busi-
6 ness services provided by Federal, State, and local
7 governments; and

8 “(2) to improve efficiency in the delivery of
9 such services.

10 “(d) SERVICES TO BE PROVIDED.—Each business
11 outreach center established under this section shall pro-
12 vide the following services:

13 “(1) Outreach to isolated small businesses.

14 “(2) Assessment of the need of isolated small
15 businesses for assistance services.

16 “(3) Referral of isolated small businesses to
17 small business assistance agencies.

18 “(4) Preparation of materials required by iso-
19 lated small businesses for participation in small
20 business assistance programs.

21 “(5) Case management to assure follow-up and
22 quality control of business services.

23 “(6) Coordination of networking among isolated
24 small businesses.

1 trends and changes in economic conditions that af-
2 fect regional development.

3 “(2) POLICY DEVELOPMENT.—To develop rec-
4 ommendations on both short- and long-term policies
5 regarding economic development issues and pro-
6 grams, to help foster the diffusion of innovative, best
7 practices in economic development throughout the
8 Department of Commerce.

9 “(3) COORDINATION.—To take a leading role in
10 developing and promoting means for greater coordi-
11 nation among States, regions, and local communities
12 in the design and implementation of economic devel-
13 opment strategies, and to work in conjunction with
14 Federal agencies on developing and implementing
15 means for reducing fragmentation and increase co-
16 ordination among Federal programs that provide
17 economic development assistance.

18 “(c) RESEARCH IN CAUSES OF LONG-TERM ECO-
19 NOMIC DETERIORATION.—

20 “(1) IN GENERAL.—To assist in the long-range
21 accomplishment of the purposes of this Act, the Sec-
22 retary, in cooperation with other agencies having
23 similar functions, shall establish and conduct a con-
24 tinuing program of study, training, and research—

1 “(A) to assist in determining the causes
2 of unemployment, underemployment, under-
3 development, and chronic depression in the var-
4 ious areas and regions of the Nation;

5 “(B) to assist in the formulation and im-
6 plementation of national, State, and local pro-
7 grams which will raise income levels and other-
8 wise produce solutions to the problems resulting
9 from these conditions; and

10 “(C) to assist in providing the personnel
11 needed to conduct such programs.

12 “(2) MANNER OF PROVIDING STUDY, ASSIST-
13 ANCE.—The program of study, training, and re-
14 search may be conducted by the Secretary
15 through—

16 “(A) members of the Secretary’s staff;

17 “(B) the payment of funds authorized for
18 this section to other departments or agencies of
19 the Federal Government;

20 “(C) the employment of private individ-
21 uals, partnerships, firms, corporations, or suit-
22 able institutions;

23 “(D) contracts entered into for such pur-
24 poses;

1 “(E) grants to such individuals, organiza-
2 tions, or institutions as the Secretary deter-
3 mines to be appropriate; or

4 “(F) conferences and similar meetings or-
5 ganized for such purposes.

6 “(3) AVAILABILITY OF RESULTS OF RE-
7 SEARCH.—The Secretary shall make available to in-
8 terested individuals and organizations the results of
9 such research.

10 “(4) ANNUAL REPORT OF SECRETARY.—The
11 Secretary shall include in the annual report under
12 section 705 a detailed statement concerning the
13 study and research conducted under this section, to-
14 gether with the Secretary’s findings and conclusions
15 and such recommendations for legislative and other
16 action as the Secretary may consider appropriate.

17 “(d) GEOGRAPHIC ANALYSIS TOOL.—

18 “(1) IN GENERAL.—The Secretary shall, in co-
19 operation with other appropriate Federal agencies
20 develop a computerized geographic analysis tool that
21 all Federal departments and agencies and grant re-
22 cipients may use to evaluate the success of these
23 programs.

24 “(2) REPORT.—Not later than 6 months after
25 the date of the enactment of the Economic Develop-

1 ment Reauthorization Act of 1994, the Secretary
2 shall transmit to Congress a report on use of the
3 computerized geographic analysis tool developed pur-
4 suant to paragraph (1) by Federal departments and
5 agencies.

6 “(e) INDEPENDENT ADVISORY COMMITTEE.—The
7 Secretary shall establish an advisory committee made up
8 of representatives from major State, local, and nonprofit
9 economic development organizations as well as nationally
10 recognized experts on innovative approaches to economic
11 development to advise and make recommendations to the
12 Office.

13 “(f) FEDERAL COORDINATING COUNCIL FOR ECO-
14 NOMIC DEVELOPMENT.—

15 “(1) IN GENERAL.—The Secretary shall estab-
16 lish a Federal Coordinating Council for Economic
17 Development (hereafter in this section referred to as
18 the ‘Council’).

19 “(2) COMPOSITION OF COUNCIL.—The Council
20 shall be composed of representatives from Federal
21 agencies involved in matters that affect regional eco-
22 nomic development.

23 “(3) DUTIES.—The Council shall assist in pro-
24 viding a unifying framework for economic and re-

1 regional development efforts and develop a govern-
2 mentwide strategic plan for economic development.

3 “(g) GRANTS AND CONTRACTS FOR DEMONSTRATION
4 PROJECTS; PURPOSES.—The Secretary may make grants,
5 enter into contracts, or otherwise provide funds for any
6 demonstration project in an eligible area which the Sec-
7 retary determines is designed to foster regional productiv-
8 ity and growth, prevent outmigration, and otherwise carry
9 out the purposes of this Act.”.

10 **SEC. 108. OFFICE OF ECONOMIC DEVELOPMENT INFORMA-**
11 **TION.**

12 Title III of the Public Works and Economic Develop-
13 ment Act of 1965 (42 U.S.C. 3151–3153) is further
14 amended by adding at the end the following:

15 **“SEC. 306. OFFICE OF ECONOMIC DEVELOPMENT INFORMA-**
16 **TION.**

17 “(a) ESTABLISHMENT.—The Secretary shall estab-
18 lish the Office of Economic Development Information
19 (hereafter in this section referred to as the ‘Office’) within
20 the Office of Strategic Economic Development Planning
21 and Policy.

22 “(b) DUTIES.—The duties of the head of the Office
23 shall be—

24 “(1) to serve as a central information clearing-
25 house on matters relating to economic development,

1 economic adjustment, industrial retention, disaster
2 recovery, and defense conversion programs and ac-
3 tivities of the Federal and State governments, in-
4 cluding political subdivisions of the States; and

5 “(2) to help potential and actual applicants for
6 economic development, economic adjustment, disas-
7 ter recovery, industrial retention, and defense con-
8 version assistance under Federal, State, and local
9 laws in locating and applying for such assistance, in-
10 cluding financial and technical assistance.

11 “(c) INFORMATION DATA BASES.—

12 “(1) USES.—The Office shall develop informa-
13 tion data bases for use by Federal departments and
14 agencies. State and local governmental agencies,
15 public and private entities, and individuals to assist
16 such agencies, entities, and individuals in the proc-
17 ess of identifying and applying for assistance and re-
18 sources under economic development, economic
19 adjustment, disaster recovery, industrial retention,
20 and defense conversion programs and activities of
21 the Federal, State, and local governments.

22 “(2) SPECIFIC KINDS OF INFORMATION RE-
23 QUIRED TO BE INCLUDED.—The data bases shall in-
24 clude the following kinds of information:

1 “(A) A comprehensive compilation of all
2 relevant information concerning available eco-
3 nomic development, economic adjustment, disas-
4 ter recovery, industrial retention, and defense
5 conversion programs of the Federal Government
6 including key contact people, descriptions of the
7 application process, eligibility requirements and
8 criteria, selection and followup procedures, and
9 other such relevant information.

10 “(B) A compilation of major State and
11 local governmental economic development, eco-
12 nomic adjustment, disaster relief, industrial re-
13 tention, and defense conversion assistance pro-
14 grams, including lists of appropriate offices, of-
15 ficers, and contact personnel connected with, or
16 involved in, such programs.

17 “(C) A compilation of relevant and avail-
18 able economic data and trends, including infor-
19 mation about the national, regional, and local
20 impacts of trade agreements, defense spending
21 and downsizing, technological change, and other
22 sources of substantial economic dislocation.

23 “(D) A compilation of case studies and
24 ‘best practices’ in economic development, ad-
25 justment, and conversion.

1 “(E) A compilation of technology utiliza-
2 tion programs, assistance, and resources.

3 “(F) A compilation of published works
4 (books, reports, articles, videos, and tapes), and
5 selected texts of such works, related to all fac-
6 ets of economic development, economic adjust-
7 ment and defense conversion.

8 “(G) A compilation of information on case
9 studies on early warning and intervention ef-
10 forts.

11 “(3) POINTS OF PUBLIC ACCESS.—

12 “(A) IN GENERAL.—The Office shall es-
13 tablish several mechanisms to assure easy ac-
14 cess by the public and others to such data
15 bases, and to assure that the data bases be as
16 accessible, user-friendly, culturally neutral, and
17 affordable as possible.

18 “(B) MEANS OF ACCESS.—Access to the
19 Office’s data services shall include the following
20 means:

21 “(i) A toll-free nationwide telephone
22 number to provide direct phone access to
23 the public.

24 “(ii) On-line electronic access through
25 existing computer network services and

1 publicly available computer data base ac-
2 cess facilities, such as at repository librari-
3 es and by direct call-in via modem.

4 “(iii) Printed manuals and orientation
5 materials.

6 “(iv) Periodic orientation workshops
7 available to the public.

8 “(v) On-call information specialists to
9 address special problems requiring person-
10 to-person assistance.

11 “(d) INTERAGENCY COORDINATION.—The Secretary
12 shall enter into such agreements and understandings as
13 may be necessary with other Federal departments and
14 agencies to coordinate the accomplishment of the objec-
15 tives of this section.”.

16 **SEC. 109. AREA ELIGIBILITY.**

17 (a) IN GENERAL.—Title IV of the Public Works and
18 Economic Development Act of 1965 (42 U.S.C. 3161–
19 3173) is amended by striking the heading to such title
20 and all that follows through section 401 and inserting the
21 following:

1 **“TITLE IV—ELIGIBILITY AND**
2 **INVESTMENT STRATEGIES**

3 **“PART A—ELIGIBILITY**

4 **“SEC. 401. AREA ELIGIBILITY.**

5 “(a) CERTIFICATION.—In order to be eligible for as-
6 sistance under title I or II, an applicant seeking assistance
7 to undertake a project in an area shall certify, as part
8 of an application for such assistance, that the area on the
9 date of submission of such application meets 1 or more
10 of the following criteria:

11 “(1) The area has a per capita income of 80
12 percent or less of the national average.

13 “(2) The area has an unemployment rate 1 per-
14 cent above the national average percentage for the
15 most recent 24-month period for which statistics are
16 available.

17 “(3) The area has experienced or is about to
18 experience a sudden economic dislocation resulting
19 in job loss that is significant both in terms of the
20 number of jobs eliminated and the effect upon the
21 employment rate of the area.

22 “(4) The area is a community or neighborhood
23 (defined without regard to political or other subdivi-
24 sions or boundaries) which the Secretary determines
25 has 1 or more of the following conditions:

1 “(A) A large concentration of low-income
2 persons.

3 “(B) Rural areas having substantial out-
4 migration or substantial economic deterioration
5 and unemployment.

6 “(C) Substantial unemployment.

7 “(b) DOCUMENTATION.—A certification made under
8 subsection (a) shall be supported by Federal data, when
9 available, and in other cases by data available through the
10 State government. Such documentation shall be accepted
11 by the Secretary unless it is determined to be inaccurate.
12 The most recent statistics available shall be used.

13 “(c) SPECIAL RULE.—An area which the Secretary
14 determines has 1 or more of the conditions described in
15 subsection (a)(4)—

16 “(1) shall not be subject to the requirements of
17 subparagraphs (A) and (C) of section 101(a)(1); and

18 “(2) shall not be eligible to meet the require-
19 ments of section 403(a)(1)(B).

20 “(d) PRIOR DESIGNATIONS.—Any designation of a
21 redevelopment area under this title made before the date
22 of the enactment of the Economic Development Reauthor-
23 ization Act of 1994 shall not be effective after such date
24 of enactment.

1 “(e) DEFINITION.—For purposes of this Act, the
2 term ‘large concentration of low-income persons’ means an
3 area with a median family income of not more than 80
4 percent of the national median family income.”.

5 (b) CONFORMING AMENDMENTS.—

6 (1) TITLE I.—Title I of such Act (42 U.S.C.
7 3131–3137) is amended—

8 (A) in section 101(a)(1) in the matter pre-
9 ceding subparagraph (A) by striking “within a
10 redevelopment area” and inserting “within an
11 area described in section 401(a)”;

12 (B) in section 101(a)(1)(D) by striking “a
13 redevelopment area so designated under section
14 401(a)(6)” and inserting “an area described in
15 section 401(a)(4)”;

16 (C) in section 101(a)(2) by striking “with-
17 in redevelopment areas” and inserting “within
18 areas described in section 401(a)”;

19 (D) in each of the 2d and 3d sentences of
20 section 101(c) by striking “a redevelopment
21 area designated as such under section 401(a)(6)
22 of this Act” and inserting “an area described in
23 section 401(a)(4)”;

1 (E) in the 5th sentence of section 101(c)
2 by striking “redevelopment areas” and inserting
3 “areas described in section 401(a)”.

4 (2) TITLE II.—Title II of such Act (42 U.S.C.
5 3141–3144) is amended—

6 (A) in section 201(a) in the matter preced-
7 ing paragraph (1) by striking “within a redevel-
8 opment area” and inserting “within an area de-
9 scribed in section 401(a)”;

10 (B) in each of paragraphs (1) and (3) of
11 section 202(a) by striking “within a redevel-
12 opment area” and inserting “within an area de-
13 scribed in section 401(a)”;

14 (C) in section 202(b)(3) by striking “rede-
15 velopment”.

16 (3) TITLE III.—Title III of such Act (42 U.S.C.
17 3151–3153) is amended—

18 (A) in section 301(a) by striking “(1) to
19 areas which he has designated as redevelopment
20 areas under this Act, and (2) to other areas
21 which he finds” and inserting “(1) to areas
22 which the Secretary determines are areas de-
23 scribed in section 401(a), and (2) to other areas
24 which the Secretary finds”;

1 (B) in section 301(c), as redesignated by
2 section 105(a) of this Act, by striking “redevelop-
3 ment areas” both places it appears and in-
4 serting “areas described in section 401(a)”;

5 (C) in the 1st sentence of section 302(a)
6 by striking “a redevelopment area” and insert-
7 ing “an area described in section 401(a)”;

8 (D) in the 2d sentence of section 302(a) by
9 striking “redevelopment areas” and inserting
10 “areas described in section 401(a)”.

11 (4) TITLE IV.—Title IV of such Act (42 U.S.C.
12 3161–3173) is amended—

13 (A) in each of subparagraphs (A) and (B)
14 of section 403(a)(1) by striking “redevelopment
15 area” and inserting “area described in section
16 401(a)”;

17 (B) in section 403(a)(1)(C) by striking
18 “redevelopment areas” and inserting “areas de-
19 scribed in section 401(a)”;

20 (C) in section 403(a)(4) in the matter pre-
21 ceding subparagraph (A) by striking “redevelop-
22 ment areas (designated under section 401)”
23 and inserting “areas described in section
24 401(a)”;

1 (D) in section 403(a)(4)(A) by striking
2 “redevelopment area” and inserting “area de-
3 scribed in section 401(a)”;

4 (E) in section 403(h), as redesignated by
5 section 111(c) of this Act, by striking “a rede-
6 velopment area” each place it appears and in-
7 serting “an area described in section 401(a)”.

8 (5) TITLE IX.—Section 902 of such Act (42
9 U.S.C. 3242) is amended by striking “a redevel-
10 opment area or economic development district estab-
11 lished under title IV of this Act” and inserting “an
12 area described in section 401(a) or an economic de-
13 velopment district designated under section 403”.

14 **SEC. 110 INVESTMENT STRATEGY.**

15 (a) IN GENERAL.—Section 402 of the Public Works
16 and Economic Development Act of 1965 (42 U.S.C. 3162)
17 is amended to read as follows:

18 **“SEC. 402. INVESTMENT STRATEGY.**

19 “The Secretary may provide assistance under title I
20 or II to an applicant for a project to be undertaken in
21 an area described in section 401(a) only if the applicant
22 submits to the Secretary, as part of an application for
23 such assistance, and the Secretary approves an investment
24 strategy which—

1 “(1) identifies the economic development prob-
2 lems to be addressed using such assistance;

3 “(2) identifies past, present, and projected fu-
4 ture economic development investments in such area
5 and public and private participants and sources of
6 funding for such investments;

7 “(3) sets forth a strategy for addressing the
8 economic problems identified pursuant to paragraph
9 (1) and describes how the strategy will solve such
10 problems;

11 “(4) provides a description of the project nec-
12 essary to implement the strategy, estimates of costs,
13 and timetables; and

14 “(5) provides a summary of public and private
15 resources expected to be available for the project.”.

16 (b) ELIMINATION OF OVERALL ECONOMIC DEVELOP-
17 MENT PROGRAM.—Section 202(b) of such Act (42 U.S.C.
18 3142(b)) is amended by striking paragraph (10).

19 (c) CONFORMING AMENDMENTS.—

20 (1) TITLE I.—Subparagraph (C) of section
21 101(a)(1) of such Act (42 U.S.C. 3131(a)(1)) is
22 amended to read as follows:

23 “(C) the area for which the project is to be
24 undertaken has an approved investment strat-

1 egy as provided by section 402 and such project
2 is consistent with such strategy; and”.

3 (2) TITLE II.—Paragraph (5) of section 201(a)
4 of such Act (42 U.S.C. 3141(a)) is amended to read
5 as follows:

6 “(5) such area has an approved investment
7 strategy as provided by section 402 and the project
8 for which financial assistance is sought is consistent
9 with such strategy.”.

10 (3) TITLE III.—Section 302(a) of such Act (42
11 U.S.C. 3151a(a)) is amended—

12 (A) in the 4th sentence by striking “overall
13 State economic development plan” and inserting
14 “State investment strategy”;

15 (B) in the 5th sentence—

16 (i) by striking “plan” each place it
17 appears and inserting “strategy”; and

18 (ii) by striking “plans” each place it
19 appears and inserting “strategies”; and

20 (C) in the 6th sentence by striking “Any
21 overall State economic development planning”
22 and inserting “Development of any State in-
23 vestment strategy”.

24 (4) TITLE IV.—Section 403 of such Act (42
25 U.S.C. 3171) is amended—

1 (A) in each of subsections (a)(1)(C),
2 (a)(1)(D), (a)(2)(A), (a)(3)(A), (a)(4)(B), and
3 (e) by striking “overall economic development
4 program” and inserting “investment strategy”;

5 (B) in subsection (a)(1)(D) by striking
6 “program” the second place it appears and in-
7 serting “strategy”; and

8 (C) in each of subsections (b) and
9 (b)(2)(B) by striking “overall economic develop-
10 ment programs” and inserting “investment
11 strategies”.

12 **SEC. 111. ECONOMIC DEVELOPMENT DISTRICTS.**

13 (a) ECONOMIC DEVELOPMENT DISTRICT DE-
14 FINED.—Section 403(d) of the Public Works and Eco-
15 nomic Development Act of 1965 (42 U.S.C. 3171(d)) is
16 amended by adding at the end the following: “Such term
17 includes any economic development district designated by
18 the Secretary under this section before the date of the en-
19 actment of the Economic Development Reauthorization
20 Act of 1994.”.

21 (b) FUNDING.—Section 403(g) of such Act (42
22 U.S.C. 3171(g)) is amended to read as follows:

23 “(g) FUNDING.—Amounts authorized to be appro-
24 priated under other sections of this Act shall be available

1 for purposes of carrying out subsections (a)(3) and
2 (a)(4).”.

3 (c) REPEAL.—Section 403 of such Act (42 U.S.C.
4 3162) is amended by striking subsections (h) and (i) and
5 redesignating subsection (j) as subsection (h).

6 (d) UNEMPLOYMENT RATE DETERMINATIONS.—
7 Title IV of such Act (42 U.S.C. 3161–3173) is amended
8 by striking part D.

9 **SEC. 112. ADMINISTRATION.**

10 (a) IN GENERAL.—Section 601 of the Public Works
11 and Economic Development Act of 1965 (42 U.S.C. 3201)
12 is amended to read as follows:

13 **“SEC. 601. APPOINTMENT OF ASSISTANT SECRETARY OF**
14 **COMMERCE FOR ECONOMIC DEVELOPMENT;**
15 **COMPENSATION.**

16 “(a) ADMINISTRATION OF ACT.—The Secretary shall,
17 with the assistance of an Assistant Secretary of Com-
18 merce, administer this Act.

19 “(b) APPOINTMENT OF ASSISTANT SECRETARY.—

20 “(1) IN GENERAL.—The Assistant Secretary
21 whose position is established under subsection (a)
22 shall be appointed by the President, by and with the
23 advice and consent of the Senate.

1 “(2) DUTIES.—The Assistant Secretary ap-
2 pointed under paragraph (1) shall perform such
3 functions as the Secretary may prescribe.”.

4 (b) ADVISORY COMMITTEE ON REGIONAL ECONOMIC
5 DEVELOPMENT.—Title VI of such Act (33 U.S.C. 3201–
6 3204) is amended by striking section 602 and redesignat-
7 ing sections 603 and 604 as sections 602 and 603, respec-
8 tively.

9 **SEC. 113. EXPEDITED PROCESSING OF APPLICATIONS.**

10 Title VI of the Public Works and Economic Develop-
11 ment Act of 1965 (42 U.S.C. 3201–3204) is amended by
12 adding at the end the following:

13 **“SEC. 604. EXPEDITED PROCESSING OF APPLICATIONS.**

14 “(a) GUIDELINES.—Not later than 60 days after the
15 date of the enactment of this section, the Assistant Sec-
16 retary for Economic Development shall—

17 “(1) publish guidelines to expedite the process-
18 ing of applications for assistance under this Act; and

19 “(2) transmit to Congress a report containing
20 such guidelines.

21 “(b) CONTENTS.—Guidelines to be published under
22 subsection (a) shall, at a minimum, provide for the follow-
23 ing:

1 “(1) Increased reliance on self-certification by
2 applicants to establish compliance with other Fed-
3 eral laws.

4 “(2) Greater use of uniform application forms
5 and procedures.

6 “(3) Delegation of decisionmaking authority to
7 regional offices.

8 “(4) Reduction in the time and number of re-
9 views conducted by other offices of the Department
10 of Commerce.”.

11 **SEC. 114. UNIFORM APPLICATION FORM.**

12 Title VI of the Public Works and Economic Develop-
13 ment Act of 1965 (42 U.S.C. 3201–3204) is further
14 amended by adding at the end the following:

15 **“SEC. 605. UNIFORM APPLICATION FORM.**

16 “(a) DEVELOPMENT.—The Secretary shall, in co-
17 operation with the heads of appropriate Federal depart-
18 ments and agencies, develop a general, simplified applica-
19 tion form for grant assistance under this Act which may
20 be used by all Federal departments and agencies which
21 provide grant assistance.

22 “(b) REPORT.—Not later than 6 months after the
23 date of the enactment of this section, the Secretary shall
24 transmit to Congress a report on use of the form devel-

1 oped pursuant to subsection (a) by Federal departments
2 and agencies.”.

3 **SEC. 115. STUDY OF GRANT SELECTION CRITERIA.**

4 Title VI of the Public Works and Economic Develop-
5 ment Act of 1965 (42 U.S.C. 3201–3204) is further
6 amended by adding at the end the following:

7 **“SEC. 606. STUDY OF GRANT SELECTION CRITERIA.**

8 “(a) DEVELOPMENT OF METHOD.—The Secretary
9 shall develop recommendations for prioritizing applica-
10 tions and awarding funding for projects under this Act
11 based on the relative needs of eligible areas and the capac-
12 ity of an applicant to carry out a project, including the
13 ability of the applicant to leverage or attract funding from
14 the private sector and to coordinate or create partnerships
15 with other eligible recipients.

16 “(b) CONSIDERATION.—In developing a method
17 under subsection (a), the Secretary shall consider the dif-
18 ferent objectives of each title of this Act.

19 “(c) REPORT TO CONGRESS.—Not later than 1 year
20 after the date of the enactment of this section, the Sec-
21 retary shall transmit to Congress a report containing rec-
22 ommendations developed under subsection (a).”.

1 **SEC. 116. PERFORMANCE EVALUATIONS OF GRANT RECIPI-**
2 **ENTS.**

3 Title VI of the Public Works and Economic Develop-
4 ment Act of 1965 (42 U.S.C. 3201–3204) is further
5 amended by adding at the end the following:

6 **“SEC. 607. PERFORMANCE EVALUATIONS OF GRANT RE-**
7 **CIPIENTS.**

8 “(a) IN GENERAL.—At least once every 2 years, the
9 Secretary shall conduct an evaluation of each university
10 center and economic development district receiving grant
11 assistance under this Act to assess the recipient’s perform-
12 ance and contribution toward job creation.

13 “(b) CRITERIA.—

14 “(1) ESTABLISHMENT.—The Secretary shall es-
15 tablish criteria for use in conducting evaluations
16 under subsection (a).

17 “(2) CRITERIA FOR UNIVERSITY CENTERS.—
18 The criteria for evaluation of a university center
19 shall, at a minimum, provide for an assessment of
20 the center’s contribution to providing technical as-
21 sistance, conducting applied research, and dissemi-
22 nating results of the center’s activities.

23 “(3) CRITERIA FOR ECONOMIC DEVELOPMENT
24 DISTRICTS.—The criteria for evaluation of an eco-
25 nomic development district shall, at a minimum, pro-

1 retary shall transmit to Congress a report on the results
2 of the study conducted under this section, together with
3 recommendations on whether the programs referred to in
4 subsection (a) should be authorized as part of this Act.”.

5 **SEC. 118. MISCELLANEOUS.**

6 (a) **POWERS OF THE SECRETARY.**—Section 701 of
7 the Public Works and Economic Development Act of 1965
8 (42 U.S.C. 3211) is amended—

9 (1) in paragraph (4)—

10 (A) by striking “loans” the first place it
11 appears and inserting “grants or loans”; and

12 (B) by striking “loans” the second place it
13 appears and inserting “grants, loans,”;

14 (2) in paragraph (6) by striking “loans” and
15 inserting “grants or loans”;

16 (3) in paragraph (7) by striking “loans” each
17 place it appears and inserting “grants or loans”;
18 and

19 (4) in paragraph (10)—

20 (A) by striking “section 15 of the Adminis-
21 trative Expenses Act of 1946 (5 U.S.C. 55a).”
22 and inserting “section 3109 of title 5, United
23 States Code,”; and

1 (B) by striking “section 5 of such Act (5
2 U.S.C. 73b-2)” and inserting “section 5703 of
3 title 5, United States Code,”.

4 (b) UNFAIR COMPETITION; SAVINGS PROVISIONS.—
5 Title VII of such Act (42 U.S.C. 3211–3225) is amended
6 by striking sections 702 and 703 and redesignating sec-
7 tions 704 through 714 as sections 702 through 712, re-
8 spectively.

9 (c) TRANSFER OF FUNCTIONS.—Section 702 of such
10 Act, as redesignated by subsection (b) of this section, is
11 amended—

12 (1) in the heading to such section by striking
13 “**EFFECTIVE DATE, AND LIMITATIONS ON AS-**
14 **SISTANCE**” and inserting “**OF AREA REDEVELOP-**
15 **MENT ADMINISTRATION**”;

16 (2) by striking “(a) The” and inserting “The”;
17 and

18 (3) by striking subsections (b) through (e).

19 (d) USE OF OTHER FACILITIES.—Section 706 of
20 such Act, as redesignated by subsection (b) of this section,
21 is amended by adding at the end the following new sub-
22 section:

23 “(d) FUNDS TRANSFERRED FROM OTHER DEPART-
24 MENTS AND AGENCIES.—In order to carry out the objec-
25 tives of this Act, the Secretary may accept transfers of

1 funds from other departments and agencies of the Federal
2 Government if the funds are used for the purposes for
3 which (and in accordance with the terms under which) the
4 funds are specifically authorized and appropriated. Such
5 transferred funds shall remain available until expended
6 and may be transferred to and merged with the appropria-
7 tions under the heading ‘salaries and expenses’ by the Sec-
8 retary to the extent necessary to administer the pro-
9 gram.”.

10 (f) AUTHORIZATION OF APPROPRIATIONS.—Section
11 707 of such Act, as redesignated by subsection (b) of this
12 section, is amended by striking “\$25,000,000 for the fiscal
13 year ending September 30, 1992” and inserting
14 “\$36,000,000 for the fiscal year ending September 30,
15 1995”.

16 (g) PENALTIES.—Section 708 of such Act, as reded-
17 igned by subsection (b) of this section, is amended—

18 (1) in subsection (a)—

19 (A) by striking “himself” and inserting
20 “such person”; and

21 (B) by striking “shall be punished by” and
22 all that follows before the period and inserting
23 “shall be fined under title 18, United States
24 Code, imprisoned for not more than 5 years, or
25 both”; and

1 (2) in subsection (b)—

2 (A) by striking “him” both places it ap-
3 pears and inserting “such person”; and

4 (B) by striking “shall be punished by” and
5 all that follows before the period and inserting
6 “shall be fined under title 18, United States
7 Code, imprisoned for not more than 5 years, or
8 both”.

9 (h) RATE OF WAGES.—Section 710 of such Act, as
10 redesignated by subsection (b) of this section, is amend-
11 ed—

12 (1) in the 1st sentence by striking “the Davis-
13 Bacon Act, as amended (40 U.S.C. 276a–276a–5)”
14 and inserting “the Act of March 3, 1931, known as
15 the Davis-Bacon Act”; and

16 (2) in the 3d sentence by striking “Reorganiza-
17 tion Plan” and all that follows before the period and
18 inserting “Reorganization Plan Numbered 14 of
19 1950 and section 2 of the Act of June 13, 1934
20 (Chapter 482; 48 Stat. 948)”.

21 (i) AREA REDEVELOPMENT ACT.—Title VII of such
22 Act (42 U.S.C. 3211–3225) is amended by striking section
23 715 and redesignating section 716 as section 713.

1 **SEC. 119. ACCEPTANCE OF APPLICANTS' CERTIFICATIONS.**

2 Title VII of the Public Works and Economic Develop-
3 ment Act of 1965 (42 U.S.C. 3211–3226) is further
4 amended by adding at the end the following:

5 **“SEC. 714. ACCEPTANCE OF APPLICANTS' CERTIFICATIONS.**

6 “The Secretary may accept, when deemed appro-
7 priate, the applicants' certifications to meet the require-
8 ments of this Act.”.

9 **SEC. 120. SUPERVISION OF REGIONAL COUNSELS.**

10 Title VII of the Public Works and Economic Develop-
11 ment Act of 1965 (42 U.S.C. 3211–3226) is further
12 amended by adding at the end the following:

13 **“SEC. 715. SUPERVISION OF REGIONAL COUNSELS.**

14 “The Secretary shall take such actions as may be
15 necessary to ensure that individuals serving as Regional
16 Counsels of the Economic Development Administration re-
17 port directly to their respective Regional Director.”.

18 **SEC. 121. ECONOMIC RECOVERY FOR DISASTER AREAS.**

19 Title VIII of the Public Works and Economic Devel-
20 opment Act of 1965 (42 U.S.C. 3231–3236) is repealed.

21 **SEC. 122. SPECIAL ECONOMIC DEVELOPMENT AND ADJUST-**
22 **MENT ASSISTANCE.**

23 (a) **ELIGIBLE RECIPIENT DEFINED.**—Section 902 of
24 the Public Works and Economic Development Act of 1965
25 (42 U.S.C. 3242) is amended—

26 (1) by striking “, or” and inserting “or”; and

1 (2) by inserting before the period at the end the
2 following: “, or at the discretion of the Secretary a
3 public or private nonprofit organization or associa-
4 tion”.

5 (b) GRANT AUTHORITY.—Section 903(a)(1) of such
6 Act (42 U.S.C. 3243(a)(1)) is amended by striking “un-
7 employment compensation (in accordance with subsection
8 (d) of this section), rent supplements, mortgage payment
9 assistance, research, technical assistance,” and inserting
10 “administrative expenses, industrial retention,”.

11 (c) GRANTS FOR UNEMPLOYMENT COMPENSA-
12 TION.—Section 903(a)(2) of such Act (42 U.S.C.
13 3243(a)(2)) is amended—

14 (1) by striking “(2)(A) Such grants” and in-
15 serting “(2) Such grants”; and

16 (2) by striking subparagraph (B).

17 (d) COORDINATION OF ACTIVITIES.—Section 903(c)
18 of such Act (42 U.S.C. 3243(c)) is amended by striking
19 “regional commissions” and inserting “other Federal pro-
20 grams”.

21 (e) TRANSFER OF FUNDS TO SECRETARY OF
22 LABOR.—Section 903 of such Act (42 U.S.C. 3243) is
23 amended by striking subsection (d).

1 (f) BASE CLOSINGS AND REALIGNMENTS.—Section
2 903 of such Act (42 U.S.C. 3243) is amended by adding
3 at the end the following new subsection:

4 “(d) BASE CLOSINGS AND REALIGNMENTS.—

5 “(1) LOCATION OF PROJECTS.—In any case in
6 which the Secretary determines a need for assistance
7 under subsection (a) due to the closure or realign-
8 ment of a military installation, the Secretary may
9 make such assistance available for projects to be
10 carried out on the military installation and for
11 projects to be carried out in communities adversely
12 affected by the closure or realignment.

13 “(2) INTEREST IN PROPERTY.—Notwithstand-
14 ing any other provision of law, the Secretary may
15 provide to an eligible recipient any assistance avail-
16 able under this Act for a project to be carried out
17 on a military installation that is closed or scheduled
18 for closure or realignment without requiring that the
19 eligible recipient have title to the property or a lease-
20 hold interest in the property for any specified
21 term.”.

22 **SEC. 123. TREATMENT OF REVOLVING LOAN FUNDS.**

23 Title IX of the Public Works and Economic Develop-
24 ment Act of 1965 (42 U.S.C. 3241–3245) is amended—

1 (1) by redesignating section 905 as section 909;
2 and

3 (2) by inserting after section 904 the following:

4 **“SEC. 905. TREATMENT OF REVOLVING LOAN FUNDS.**

5 “(a) IN GENERAL.—Amounts from grants under this
6 title which are used by an eligible recipient to establish
7 a revolving loan fund shall not be treated, except as pro-
8 vided by subsection (b), as amounts derived from Federal
9 funds for the purposes of any Federal law after such
10 amounts are loaned from the fund to a borrower and re-
11 paid to the fund.

12 “(b) EXCEPTIONS.—Amounts described in subsection
13 (a) which are loaned from a revolving loan fund to a bor-
14 rower and repaid to the fund—

15 “(1) may only be used for projects which are
16 consistent with the purposes of this title; and

17 “(2) shall be subject to the financial manage-
18 ment, accounting, reporting, and auditing standards
19 which were originally applicable to such amounts.

20 “(c) REGULATIONS.—Not later than 30 days after
21 the date of the enactment of this section, the Secretary
22 shall issue regulations to carry out subsection (a).

23 “(d) PUBLIC REVIEW AND COMMENT.—Before issu-
24 ing any final guidelines or administrative manuals govern-
25 ing the operation of revolving loan funds established using

1 amounts from grants under this title, the Secretary shall
2 provide reasonable opportunity for public review of and
3 comment on such guidelines and administrative manu-
4 als.”.

5 **SEC. 124. OUTREACH TO COMMUNITIES ADVERSELY AF-**
6 **FFECTED BY DEFENSE BASE CLOSURES.**

7 Title IX of the Public Works and Economic Develop-
8 ment Act of 1965 (42 U.S.C. 3241–3245) is further
9 amended by adding at the end the following:

10 **“SEC. 906. OUTREACH TO COMMUNITIES ADVERSELY AF-**
11 **FFECTED BY DEFENSE BASE CLOSURES.**

12 “(a) DESIGNATION OF AGENCY REPRESENTA-
13 TIVES.—The Assistant Secretary for Economic Develop-
14 ment shall designate for each State in which communities
15 are adversely affected by defense base closures an individ-
16 ual to serve as a representative of the Economic Develop-
17 ment Administration. Such individual may be the State
18 Economic Development Agency Representative or another
19 qualified individual.

20 “(b) RESPONSIBILITIES.—Individuals appointed as
21 agency representatives under subsection (a) shall provide
22 outreach and technical assistance to communities ad-
23 versely affected by defense base closures on obtaining as-
24 sistance from the Economic Development Administra-
25 tion.”.

1 **SEC. 125. SALE OF FINANCIAL INSTRUMENTS IN REVOLV-**
2 **ING LOAN FUNDS.**

3 Title IX of the Public Works and Economic Develop-
4 ment Act of 1965 (42 U.S.C. 3241–3245) is further
5 amended by adding at the end the following:

6 **“SEC. 907. SALE OF FINANCIAL INSTRUMENTS IN REVOLV-**
7 **ING LOAN FUNDS.**

8 “Any loan, loan guarantee, equity, or other financial
9 instrument in the portfolio of a Revolving Loan Fund may
10 be sold, at the discretion of the grantee of the Fund, to
11 a third party provided that the proceeds of the sale—

12 “(1) shall be deposited in the Fund and only
13 used for projects which are consistent with the pur-
14 poses of this title, and

15 “(2) shall be subject to the financial manage-
16 ment, accounting, reporting, and auditing standards
17 which were originally applicable to the financial in-
18 strument.”.

19 **SEC. 126. ECONOMIC DEVELOPMENT CHALLENGE GRANTS**
20 **DEMONSTRATION PROJECT.**

21 Title IX of the Public Works and Economic Develop-
22 ment Act of 1965 (42 U.S.C. 3241–3245) is further
23 amended by adding at the end the following:

1 **“SEC. 908. ECONOMIC DEVELOPMENT CHALLENGE GRANTS**
2 **DEMONSTRATION PROJECT.**

3 “(a) IN GENERAL.—In order to study the feasibility
4 and desirability of using challenge grants to generate new
5 pools of investment capital in areas suffering from long-
6 term economic deterioration, the Secretary shall establish
7 a 2-year demonstration project under which the Secretary
8 shall provide grants to selected recipients, to be matched
9 by the recipients 1 dollar for every 2 Federal dollars, for
10 the purpose of establishing substantially leveraged financ-
11 ing for business development and other innovative eco-
12 nomic development efforts.

13 “(b) FEDERAL AND COMMUNITY CONTRIBUTIONS.—

14 “(1) IN GENERAL.—The Secretary shall grant 2
15 dollars for every 1 dollar raised by each selected re-
16 cipient, up to \$10,000,000 per year per selected re-
17 cipient.

18 “(2) USE OF OTHER FEDERAL FUNDS IN CON-
19 JUNCTION WITH CHALLENGE GRANT.—Funds from
20 other Federal programs may be used in conjunction
21 or merged with the challenge grant and matching
22 funds to form a larger investment fund.

23 “(c) ESTABLISHMENT AND USE OF FUNDS.—

24 “(1) ESTABLISHMENT.—For purposes of this
25 Act, an investment fund established by a selected re-
26 cipient consists of—

1 “(A) the economic development challenge
2 grant received by the selected recipient;

3 “(B) the matching funds required under
4 subsection (b); and

5 “(C) any such other funds that may be de-
6 rived from other sources, including other Fed-
7 eral funds.

8 “(2) USE.—An investment fund shall be used
9 by the selected recipients for the purposes of gener-
10 ating long-term sustainable economic development
11 and job growth in areas identified by the selected re-
12 cipients, pursuant to the requirements and limita-
13 tions of eligibility and performance in subsections
14 (d), (e), (f), (g) and (h).

15 “(d) ELIGIBLE RECIPIENTS.—The Secretary shall
16 make grants to any eligible recipients for use in an area
17 which must meet 1 or more of the following criteria:

18 “(1) The area has a per capita income of 80
19 percent or less of the national average.

20 “(2) The area has an unemployment rate 1 per-
21 cent above the national average percentage for the
22 more recent 24-month period for which statistics are
23 available.

24 “(3) The area has been determined by the Sec-
25 retary to have at least 1 of the following conditions:

1 “(A) A large concentration of low-income
2 persons (as defined in section 401(e)).

3 “(B) Areas having substantial outmigra-
4 tion.

5 “(C) Substantial underemployment or un-
6 employment.

7 An eligible recipient may include any local government or
8 group of local governments, economic development dis-
9 trict, Indian tribe, public or private nonprofit organization
10 or association, community-based organization, business or
11 worker organization, or any consortium of such entities,
12 that is able to demonstrate to the satisfaction of the Sec-
13 retary that they can carry out the objectives of this pro-
14 gram pursuant to the criteria and requirements estab-
15 lished in this section.

16 “(e) SELECTION OF DEMONSTRATION PROJECTS.—

17 “(1) IN GENERAL.—The Secretary shall make
18 grants to selected recipients from 3 areas suffering
19 from long-term economic distress.

20 “(2) DISTRIBUTION.—One selected recipient
21 shall be from a rural area which has been subjected
22 to long-term economic distress as a result of a major
23 decline in the region’s key industries, 1 from an area
24 that is a combination of rural, small metropolitan,
25 and suburban communities, and 1 from an urban

1 area with excessive unemployment, concentrated pov-
2 erty, and high crime.

3 “(3) INDUSTRIAL RETENTION STRATEGY RE-
4 QUIREMENT.—Of the 3 recipients described in para-
5 graph (2), at least 1 of the projects selected shall in-
6 clude an industrial retention strategy. The selected
7 recipient from a rural area shall not be required to
8 have an industrial retention strategy.

9 “(f) GRANT SELECTION PROCESS.—

10 “(1) NATIONAL COMPETITION.—The Secretary
11 shall select recipients of the challenge grants
12 through a nationally competitive process.

13 “(2) ELIGIBILITY REQUIREMENT.—Each se-
14 lected recipient must submit a comprehensive strat-
15 egy for generating sustained, long-term economic
16 growth and for both preserving and creating high-
17 quality jobs.

18 “(3) PREFERENCE FOR CERTAIN PROJECTS.—
19 The Secretary shall give preference to eligible recipi-
20 ents which—

21 “(A) utilize the Federal grant plus match-
22 ing funds to further leverage private and public
23 capital to create an even larger economic devel-
24 opment investment fund;

1 “(B) represent consortia or partnerships
2 comprised of at least 2 or more of the groups
3 identified in subsection (d); or

4 “(C) intend to use their investment funds
5 to finance or leverage financing for new busi-
6 ness development and startups, industrial serv-
7 ices, industrial modernization of local-based
8 firms or industrial retention (including em-
9 ployee stock ownership plans and worker or
10 management buyouts), or other economic devel-
11 opment strategies that illustrate ‘best practices’
12 in economic development.

13 “(4) BROAD-BASED PARTICIPATION TO BE EN-
14 COURAGED.—The Secretary shall strongly encourage
15 broad-based participation of public and private enti-
16 ties within an area in the development and imple-
17 mentation of the challenge grant proposals submit-
18 ted by eligible recipients.

19 “(g) LIMITATIONS.—The investment funds estab-
20 lished by the selected recipients shall—

21 “(1) not be used to permit units of State and
22 local government to offer tax inducements to attract
23 businesses to locate in the area; and

24 “(2) be subject to the same conditions described
25 in section 202(b)(1).

1 No area may receive an economic development challenge
2 grant if it has been designated an empowerment or enter-
3 prise community under section 13301 of the Omnibus
4 Budget Reconciliation Act of 1993.

5 “(h) PERFORMANCE EVALUATIONS; REPORT TO
6 CONGRESS.—

7 “(1) EVALUATION OF EFFECTIVENESS.—The
8 Secretary shall conduct performance evaluations of
9 the demonstration challenge grant project to assess
10 the effectiveness of this kind of program in generat-
11 ing sustained economic growth and job creation in
12 areas of the Nation experiencing long-term economic
13 distress.

14 “(2) REPORT.—Based on the evaluations con-
15 ducted pursuant to paragraph (1), the Secretary
16 shall submit an annual report to Congress with rec-
17 ommendations for expansion, modification or termi-
18 nation of the program.

19 “(i) AUTHORIZATION OF APPROPRIATIONS.—Of the
20 funds authorized to be appropriated under section 909,
21 there are authorized to be appropriated \$25,000,000 per
22 fiscal year for fiscal years 1995 and 1996 to carry out
23 this section. Such sums shall remain available until ex-
24 pended.”.

1 **SEC. 127. AUTHORIZATION OF APPROPRIATIONS.**

2 Section 909 of the Public Works and Economic De-
3 velopment Act of 1965, as redesignated by section 122 of
4 this Act, is amended to read as follows:

5 **“SEC. 909. AUTHORIZATION OF APPROPRIATIONS.**

6 “(a) IN GENERAL.—There is authorized to be appro-
7 priated to carry out this title \$115,542,000 for fiscal year
8 1994 and \$81,000,000 per fiscal year for each of fiscal
9 years 1995 and 1996. Such sums shall remain available
10 until expended.

11 “(b) SET-ASIDE FOR DEFENSE CONVERSION ACTIVI-
12 TIES.—Of amounts appropriated pursuant to subsection
13 (a) for fiscal year 1994, not less than \$80,000,000 shall
14 be available for purposes of assisting eligible recipients in
15 activities related to defense conversion.

16 “(c) ADDITIONAL AMOUNTS.—In addition to the ap-
17 propriations authorized by subsection (a), there are au-
18 thorized to be appropriated to carry out this title such
19 sums as may be necessary to provide assistance for de-
20 fense conversion activities and to provide assistance in the
21 case of a natural disaster. Such sums shall remain avail-
22 able until expended.”.

23 **SEC. 128. REFERENCES TO THE SECRETARY.**

24 (a) REFERENCES TO “HE”.—The Public Works and
25 Economic Development Act of 1965 (42 U.S.C. 3121 et

1 seq.) is amended by striking “he” and inserting “the Sec-
2 retary” in each of the following:

3 (1) Section 101(a)(1).

4 (2) The 4th sentence of section 101(c).

5 (3) Section 201(a).

6 (4) Section 202(b)(5).

7 (5) Section 202(b)(9)(B).

8 (6) The 1st sentence of section 301(b).

9 (7) Section 602(b), as redesignated by section
10 112(b) of this Act.

11 (8) Section 701(2).

12 (9) Section 701(4).

13 (10) Section 701(12)

14 (11) Section 706, as redesignated by section
15 117(b) of this Act.

16 (b) REFERENCES TO “HIS”.—Such Act is further
17 amended by striking “his” and inserting “the Secretary’s”
18 in each of the following:

19 (1) The 3d and 4th sentences of section 301(a).

20 (2) Section 701(4).

21 (3) Section 705, as redesignated by section
22 117(b) of this Act.

23 (4) Section 903(c).

1 (c) REFERENCES TO “HIM”.—Such Act is further
2 amended by striking “him” and inserting “the Secretary”
3 in each of the following:

4 (1) Section 602(b), as redesignated by section
5 112(b) of this Act.

6 (2) Section 701(4) each place it appears.

7 (3) Section 701(6).

8 (4) Section 701(7) both places it appears.

9 (5) Section 701(9) both places it appears.

10 (d) OTHER REFERENCES.—Such Act is further
11 amended—

12 (1) in section 701 in the matter preceding para-
13 graph (1) by striking “his duties” and inserting “the
14 duties of the Secretary”;

15 (2) in section 701(4) by striking “he shall de-
16 termine” and inserting “the Secretary determines”;

17 (3) in section 701(6) by striking “he shall de-
18 termine” and inserting “the Secretary shall deter-
19 mine”; and

20 (4) in section 701(11) by striking “his prop-
21 erty” and all that follows before the semicolon and
22 inserting “the Secretary’s property”.

23 **SEC. 129. COMPLIANCE WITH BUY AMERICAN ACT.**

24 None of the funds made available under this title, or
25 any amendment made by this title, may be expended in

1 violation of sections 2 through 4 of the Act of March 3,
2 1933 (41 U.S.C. 10a–10c; popularly known as the “Buy
3 American Act”), which are applicable to those funds. The
4 Secretary of Commerce shall provide to each recipient of
5 such funds notice of the requirements specified in this sec-
6 tion and information on methods to comply with such re-
7 quirements.

8 **SEC. 130. REGULATORY RELIEF.**

9 The Administrator shall, upon petition from an entity
10 impacted adversely by Federal regulations on matters of
11 economic development as described in this Act, notify the
12 departments and agencies involved with promulgating and
13 administering those regulations and suggest to those de-
14 partments and agencies that regulations be waived which
15 interfere with economic development. Nothing in this sec-
16 tion shall affect the ability of the Administrator to carry
17 out his duties otherwise provided by law.

18 **TITLE II—APPALACHIAN**
19 **REGIONAL DEVELOPMENT**

20 **SEC. 201. FINDINGS AND PURPOSES.**

21 Section 2 of the Appalachian Regional Development
22 Act of 1965 (40 U.S.C. App. 2) is amended—

23 (1) in subsection (a) by striking the period at
24 the end of the 6th sentence and inserting “and in

1 severely distressed and underdeveloped counties and
2 areas lacking resources for basic services.”; and

3 (2) by adding at the end the following new sub-
4 section:

5 “(c) The Congress further finds and declares that,
6 while substantial progress has been made in fulfilling
7 many of the objectives of this Act, rapidly changing na-
8 tional and global economics over the past decade have cre-
9 ated new problems and challenges for rural areas through-
10 out the Nation and especially for the Appalachian region.
11 Thus, the problems of the region are not only to provide
12 the infrastructure necessary to economic and human re-
13 source development, to develop its industry, and to gen-
14 erate a diversified regional economy, but to make the re-
15 gion’s industrial and commercial resources more competi-
16 tive in national and world markets. It is, therefore, also
17 the purpose of this Act to provide a framework for coordi-
18 nating Federal, State, and local initiatives to respond to
19 the economic competitive challenge through improving the
20 skills of the region’s manpower, adapting and applying
21 new technologies for the region’s businesses, and improv-
22 ing the access of the region’s businesses to the technical
23 and financial resources necessary to their development
24 while continuing to address the need to provide basic serv-
25 ices for the more disadvantaged areas of the region so as

1 to provide a fairer opportunity for the people of the region
2 to share the quality of life generally enjoyed by citizens
3 across this Nation.”.

4 **SEC. 202. MEETINGS.**

5 Section 101 of the Appalachian Regional Develop-
6 ment Act of 1965 (40 U.S.C. App. 101) is amended—

7 (1) in subsection (a) by adding at the end the
8 following:

9 “The Commission shall conduct at least one meeting each
10 year with the presence of the Federal Cochairman and at
11 least a majority of the State members. The Commission
12 may conduct such additional meetings by electronic means
13 as the Commission considers advisable.”;

14 (2) at the end of the third sentence of sub-
15 section (b) by striking “present”; and

16 (3) at the end of the fourth sentence of sub-
17 section (c) by striking “to be present”.

18 **SEC. 203. AUTHORIZATIONS FOR ADMINISTRATIVE EX-**
19 **PENSES.**

20 Section 105(b) of the Appalachian Regional Develop-
21 ment Act of 1965 (40 U.S.C. App. 105(b)) is amended
22 to read as follows:

23 “(b) AUTHORIZATION OF APPROPRIATIONS.—

24 “(1) IN GENERAL.—There is authorized to be
25 appropriated to carry out this section \$3,400,000 for

1 fiscal year 1994 and \$3,600,000 per fiscal year for
2 each of fiscal years 1995 and 1996. Such sums shall
3 remain available until expended.

4 “(2) EXPENSES OF FEDERAL COCHAIRMAN.—
5 Of amounts appropriated pursuant to paragraph (1),
6 not to exceed \$1,102,000 for fiscal year 1994 and
7 not to exceed \$1,500,000 per fiscal year for each of
8 fiscal years 1995 and 1996 shall be available for ex-
9 penses of the Federal Cochairman, the Federal Co-
10 chairman’s alternate, and the Federal Cochairman’s
11 staff.”.

12 **SEC. 204. EXTENSION OF LEASE TERMS.**

13 Section 106(7) of the Appalachian Regional Develop-
14 ment Act of 1965 (40 U.S.C. App. 106(7)) is amended
15 by striking “1982” and inserting “1996”.

16 **SEC. 205. HIGHWAY SYSTEM.**

17 (a) AUTHORIZATION OF APPROPRIATIONS.—Section
18 201(g) of the Appalachian Regional Development Act of
19 1965 (40 U.S.C. App. 201(g)) is amended to read as fol-
20 lows:

21 “(g) AUTHORIZATION OF APPROPRIATIONS.—There
22 is authorized to be appropriated to carry out this section
23 \$160,000,000 for fiscal year 1994, \$100,000,000 for each
24 of fiscal years 1995 and 1996, and such additional sums

1 as may be necessary for each of fiscal years 1995 and
2 1996. Such sums shall remain available until expended.”.

3 (b) FEDERAL SHARE.—

4 (1) GENERAL RULE.—Section 201(h)(1) of
5 such Act (40 U.S.C. App. 201(h)(1)) is amended by
6 striking “70 per centum” and inserting “80 per
7 cent”.

8 (2) APPLICABILITY.—The amendment made by
9 paragraph (1) shall apply to projects approved after
10 March 31, 1979.

11 **SEC. 206. SUPPLEMENTS TO FEDERAL GRANT-IN-AID PRO-**
12 **GRAMS.**

13 (a) AVAILABILITY OF AMOUNTS.—The first sentence
14 of section 214(a) of the Appalachian Regional Develop-
15 ment Act of 1965 (40 U.S.C. App. 214(a)) is amended
16 by striking “the President is authorized to provide funds
17 to the Federal Cochairman to be used” and inserting “the
18 Federal Cochairman may use amounts made available
19 under this section”.

20 (b) FEDERAL GRANT-IN-AID PROGRAMS DEFINED.—
21 The first sentence of section 214(c) of such Act (40 U.S.C.
22 App. 214(c)) is amended by striking “on or before Decem-
23 ber 31, 1980,”.

24 (c) LIMITATION ON COVERED ROAD PROJECTS.—
25 The second sentence of section 214(c) of such Act is

1 amended by inserting “authorized by title 23, United
2 States Code” after “road construction”.

3 **SEC. 207. PROGRAM DEVELOPMENT CRITERIA.**

4 (a) CONSIDERATIONS.—Section 224(a) of the Appa-
5 lachian Regional Development Act of 1965 (40 U.S.C.
6 App. 224(a)) is amended by inserting before the semicolon
7 at the end of paragraph (1) the following: “or in a severely
8 distressed and underdeveloped county or area lacking re-
9 sources for basic services”.

10 (b) REMOVAL OF LIMITATIONS.—Section 224(b) of
11 such Act (40 U.S.C. App. 224(b)) is amended to read as
12 follows:

13 “(b) LIMITATION.—No financial assistance shall be
14 authorized under this Act to be used to assist establish-
15 ments relocating from one area to another.”.

16 **SEC. 208. GRANTS FOR ADMINISTRATIVE EXPENSES AND**
17 **DEMONSTRATION PROJECTS.**

18 (a) AVAILABILITY OF AMOUNTS.—Section 302(a) of
19 the Appalachian Regional Development Act of 1965 (40
20 U.S.C. App. 302(a)) is amended—

21 (1) by striking “The President” and inserting
22 “The Commission”; and

23 (2) in paragraphs (1), (2), and (3) by striking
24 “to the Commission” each place it appears.

1 (b) RESEARCH AND DEMONSTRATION PROJECTS.—
2 Section 302(a)(3) of such Act (40 U.S.C. App. 302(a)(3))
3 is amended—

4 (1) by inserting after “technical assistance” the
5 following: “(including technical assistance for busi-
6 ness development and stabilization and application
7 of technologies (including telecommunication tech-
8 nologies) and productivity improvement)”;

9 (2) by inserting after “training programs” the
10 following: “(including on-site employee training and
11 programs to upgrade employability of the region’s
12 people)”;

13 (3) by inserting after “demonstrations” the fol-
14 lowing: “(including demonstrations of service con-
15 solidations and other methods of increasing effi-
16 ciency of local governments, the establishment and
17 operation by States, public agencies, or nonprofit de-
18 velopment organizations of revolving funds for busi-
19 ness assistance loans, the establishment and oper-
20 ation of business incubators and the provision of in-
21 dustrial facilities and equipment by public agencies
22 and nonprofit organizations on such terms (includ-
23 ing terms of reasonable recovery of grant funds
24 upon resale) as are approved by the Commission,
25 and the acquisition and development of land)”.

1 (c) SOLID WASTE DISPOSAL DEMONSTRATION
2 PROJECTS.—Section 302(b) of such Act (40 U.S.C. App.
3 302(b)) is amended by adding at the end the following
4 new paragraph:

5 “(5) The Commission shall carry out projects at not
6 less than 2 sites in the Appalachian region for the purpose
7 of demonstrating solid waste disposal techniques in rural
8 areas.”.

9 (d) REPEAL OF PROVISION ON USE OF INFORMATION
10 FROM RESEARCH AND DEVELOPMENT ACTIVITIES.—Sec-
11 tion 302(e) of such Act (40 U.S.C. 302(e)) is repealed.

12 **SEC. 209. AUTHORIZATION OF APPROPRIATIONS FOR GEN-**
13 **ERAL PROGRAM.**

14 Section 401 of the Appalachian Regional Development Act
15 of 1965 (40 U.S.C. App. 401) is amended to read as fol-
16 lows:

17 **“SEC. 401. AUTHORIZATION OF APPROPRIATIONS.**

18 “In addition to the appropriations authorized in sec-
19 tion 105 for administrative expenses and in section 201(g)
20 for the Appalachian development highway system and
21 local access roads, there is authorized to be appropriated
22 to the Commission to carry out this Act \$83,400,000 per
23 fiscal year for each of fiscal years 1994, 1995, and 1996.
24 Such sums shall remain available until expended.”.

1 **SEC. 210. DEFINITION OF APPALACHIAN REGION.**

2 Section 403 of the Appalachian Regional Develop-
3 ment Act of 1965 (40 U.S.C. App. 403) is amended—

4 (1) in the 1st undesignated paragraph (relating
5 to Alabama) by inserting “Hale,;” after “Franklin,;”;
6 and

7 (2) in the 12th undesignated paragraph (relat-
8 ing to Virginia)—

9 (A) by inserting “Montgomery,” after
10 “Lee,;” and

11 (B) by inserting “Roanoke, Rockbridge,”
12 after “Pulaski,;”.

13 **SEC. 211. EXTENSION OF TERMINATION DATE.**

14 Section 405 of the Appalachian Regional Develop-
15 ment Act of 1965 (40 U.S.C. App. 405) is amended by
16 striking “1982” and inserting “1996”.

17 **SEC. 212. REGIONAL DEVELOPMENT TASK FORCE.**

18 (a) ESTABLISHMENT.—There is established a Re-
19 gional Development Task Force (hereinafter in this sec-
20 tion referred to as the “Task Force”).

21 (b) DUTIES.—It shall be the duty of the Task Force
22 to conduct a study on—

23 (1) the extent to which the unique characteris-
24 tics of the Appalachian Regional Commission (in-
25 cluding the Commission’s Federal-State partnership,
26 program flexibility, and regional approach) have con-

1 tributed to the achievement of the Commission's
2 goals; and

3 (2) whether or not such characteristics may be
4 used to address needs which may exist in other rural
5 areas suffering from economic distress, including the
6 Lower Mississippi delta, Mexican border, and Ozark
7 areas.

8 (c) MEMBERSHIP.—

9 (1) VOTING MEMBERS.—The Task Force shall
10 be composed of 9 voting members appointed, not
11 later than 90 days after the date of the enactment
12 of this Act, as follows:

13 (A) Three members appointed by the
14 President.

15 (B) Three members appointed by the
16 President pro tempore of the Senate.

17 (C) Three members appointed by the
18 Speaker of the House of Representatives.

19 (2) EX OFFICIO MEMBERS.—The Federal and
20 State Cochairmen of the Appalachian Regional Com-
21 mission shall serve as ex officio, nonvoting members
22 of the Task Force.

23 (d) FACILITIES, SUPPLIES, AND PERSONNEL.—Upon
24 the request of the Task Force, the Appalachian Regional
25 Commission shall provide to the Task Force any facilities,

1 supplies, and personnel necessary for the Task Force to
2 carry out its responsibilities under this Act; except that
3 the total cost of such facilities, supplies, and personnel
4 shall not exceed \$500,000.

5 (e) USE OF OTHER STUDIES.—In conducting the
6 study under subsection (b), the Commission shall incor-
7 porate the results of other studies on the needs of rural
8 areas described in subsection (b) and shall not duplicate
9 such studies.

10 (f) REPORT.—Not later than 9 months after the date
11 of the first meeting of the Task Force, the Task Force
12 shall transmit to Congress a report on the results of the
13 study conducted under subsection (b).

14 (g) TERMINATION.—The Task Force shall terminate
15 on the date of transmittal of the report under subsection
16 (f).

17 **SEC. 213. COMPLIANCE WITH BUY AMERICAN ACT.**

18 None of the funds made available under this title, or
19 any amendment made by this title, may be expended in
20 violation of sections 2 through 4 of the Act of March 3,
21 1933 (41 U.S.C. 10a–10c; popularly known as the “Buy
22 American Act”), which are applicable to those funds. The
23 Appalachian Regional Commission shall provide to each
24 recipient of such funds notice of the requirements specified

1 in this section and information on methods to comply with
2 such requirements.

3 **TITLE III—BUSINESS**
4 **DEVELOPMENT ASSISTANCE**

5 **SEC. 301. SHORT TITLE.**

6 This title may be cited as the “Economic Growth and
7 Technology Commercialization Act of 1994”.

8 **SEC. 302. FINDINGS, PURPOSES, AND DEFINITIONS.**

9 (a) FINDINGS.—The Congress hereby finds the fol-
10 lowing:

11 (1) Through its support and funding of re-
12 search and development in this Nation’s Federal
13 agencies, laboratories, and educational institutions,
14 the Federal Government has fostered the creation of
15 thousands of technologies, processes, and other pro-
16 prietary rights owned, or held in whole or part, by
17 the Federal Government.

18 (2) If commercialized, these technologies, proc-
19 esses, and other proprietary rights owned, or held in
20 whole or part, by the Federal Government hold the
21 potential to be a significant tool to foster economic
22 growth and to create significant numbers of new
23 jobs at good wages for American workers.

24 (3) Throughout the Federal Government, there
25 is no single inventory or source of information on

1 technologies, processes, and other proprietary rights
2 owned, or held in whole or part, by the Federal Gov-
3 ernment.

4 (4) Information on technologies, processes, and
5 other proprietary rights owned, or held in whole or
6 part, by the Federal Government is not standardized
7 in form or content, is separately maintained by nu-
8 merous Federal agencies and departments, and is
9 not easily accessible by the public.

10 (5) Businesses and entrepreneurs in areas in
11 need of economic growth and revitalization are large-
12 ly unaware of the existence of these technologies,
13 processes, and other proprietary rights and largely
14 unaware of the possibilities for obtaining the rights
15 to these technologies, processes, and other propri-
16 etary rights for the purpose of commercialization.

17 (6) It is in the economic interest of the United
18 States to facilitate the private sector commercializa-
19 tion of technologies, processes, and other proprietary
20 rights by United States businesses located in areas
21 in need of economic growth and revitalization.

22 (7) Greater effectiveness may be achieved
23 through the utilization of the private sector cor-
24 porate structure and profit incentives in facilitating
25 the commercialization of technologies, processes, and

1 other proprietary rights than can reasonably be ex-
2 pected by the Federal Government performing this
3 function.

4 (b) PURPOSES.—The purposes of this title are as
5 follows:

6 (1) To provide assistance to private-sector
7 United States businesses, located in areas in need of
8 economic stabilization and revitalization, to commer-
9 cialize technologies, processes, and other proprietary
10 rights owned, or held in whole or part, by the Fed-
11 eral Government.

12 (2) To create new employment opportunities by
13 facilitating the commercialization of technologies,
14 processes, and other proprietary rights by United
15 States businesses and entrepreneurs in areas in need
16 of economic growth and revitalization.

17 (3) To develop a single, comprehensive data
18 base of information on technologies, processes, and
19 other proprietary rights owned, or held in whole or
20 part, by the Federal Government, which is standard-
21 ized and easily accessible.

22 (4) To heighten the awareness of United States
23 businesses and entrepreneurs of the availability for
24 commercialization of technologies, processes, and

1 other proprietary rights owned, or held in whole or
2 part, by the Federal Government.

3 (c) DEFINITIONS.—For purposes of this title, the fol-
4 lowing definitions shall apply:

5 (1) SECRETARY.—The term “Secretary” means
6 the Secretary of Commerce.

7 (2) CORPORATION.—The term “Corporation”
8 means the Business Development and Technology
9 Commercialization Corporation established under
10 this title.

11 (3) BOARD.—The term “Board” means the
12 Board of Directors of the Business Development and
13 Technology Commercialization Corporation.

14 (4) QUALIFIED CONCERN.—The term “qualified
15 concern” means a United States-based consortium, a
16 private United States business, or an educational in-
17 stitution participating in a joint project with 1 or
18 more private United States businesses, for the devel-
19 opment and commercialization of technologies, proc-
20 esses, and other proprietary rights—

21 (A) owned or held in whole or part by Fed-
22 eral departments, agencies, or government-con-
23 trolled corporations;

24 (B) developed in Federal laboratories;

1 (C) arising in the course of federally fund-
2 ed research at educational institutions, other
3 units of government, or with private concerns;
4 or

5 (D) which are made available to the Fed-
6 eral Government by private concerns.

7 **SEC. 303. CONSOLIDATION OF INFORMATION ON TECH-**
8 **NOLOGIES.**

9 (a) ESTABLISHMENT OF DATA.—The Secretary shall
10 establish and maintain an integrated, comprehensive data
11 base describing all technologies, processes, and other pro-
12 prietary rights owned, or held in whole or part, by the
13 Federal Government, or which originated in the course of
14 federally funded research in which the Federal Govern-
15 ment has an interest.

16 (b) STANDARDIZATION AND ACCESSIBILITY OF IN-
17 FORMATION.—The Secretary shall take such steps as are
18 necessary to ensure that the information contained in the
19 data base established under subsection (a) is in a stand-
20 ardized form, is accessible and usable in a manner as sim-
21 ple and easy to use as possible, recognizing the needs of
22 small- and medium-sized businesses.

23 (c) RESPONSIBILITIES.—In carrying out this section,
24 the Secretary shall—

1 (1) consult with and, to the extent practicable,
2 utilize the capabilities of other executive agencies, as
3 appropriate, to ensure the efficient and effective im-
4 plementation of this section; and

5 (2) explore, with other executive agencies, ways
6 to avoid duplication of effort by consolidating the
7 administration of the program established by this
8 section with any other similar Federal program, and
9 as part of such consolidation may delegate adminis-
10 trative functions, as necessary and appropriate, to
11 another executive agency.

12 (d) OTHER FEDERAL AGENCIES.—Other executive
13 agencies shall provide such information, and in such form,
14 as determined by the Secretary and shall cooperate with
15 the Secretary in carrying out this section.

16 (e) ACCESS TO THE DATA BASE.—

17 (1) ACCESS TO THE DATA BASE BY THE COR-
18 PORATION.—Except as provided in paragraph (3),
19 the Secretary shall provide unlimited access to the
20 data base established under this section to the Busi-
21 ness Development and Technology Commercializa-
22 tion Corporation established under this part, without
23 fee, to assist the Corporation in meeting its respon-
24 sibilities under this part.

1 (2) ACCESS TO THE DATA BASE BY THE PUB-
2 LIC.—Except as provided in paragraph (3), the Sec-
3 retary shall, by regulation, develop and implement
4 procedures providing for access to the data base es-
5 tablished under this section to members of the gen-
6 eral public.

7 (3) RESTRICTIONS.—If, in consultation with the
8 heads of other executive agencies, the Secretary de-
9 termines that access by the Corporation or any other
10 person to information contained in the data base es-
11 tablished under this section would—

12 (A) threaten national security;

13 (B) violate the proprietary rights of any
14 private interest; or

15 (C) be otherwise inappropriate,

16 the Secretary shall take such steps as the Secretary
17 may determine to be appropriate to limit access to
18 the information in the data base described in sub-
19 paragraph (A), (B), or (C) to the Corporation or
20 any other person.

21 (f) GAO REVIEW OF CURRENT FEDERAL TECH-
22 NOLOGY UTILIZATION AND COMMERCIALIZATION EF-
23 FORTS.—

24 (1) IN GENERAL.—The Comptroller General of
25 the United States shall conduct a review of all tech-

1 nology utilization and commercialization activities
2 within all Federal departments, agencies, and lab-
3 oratories, or which are otherwise supported by Fed-
4 eral funds. This review shall identify those activities
5 which may overlap or duplicate the technology utili-
6 zation and commercialization activities provided for
7 under this title.

8 (2) REPORTS.—Before the end of the 1-year pe-
9 riod beginning on the date of the enactment of this
10 Act, the Comptroller General shall issue a report to
11 the Congress describing in detail—

12 (A) the findings of the review directed
13 under paragraph (1),

14 (B) the funding levels of each existing
15 Federal technology utilization and commer-
16 cialization activities, and

17 (C) recommendations for the modification
18 or elimination of any existing Federal tech-
19 nology utilization and commercialization activi-
20 ties which the Comptroller General finds to be
21 duplicative of the activities provided for under
22 this title.

1 **SEC. 304. BUSINESS DEVELOPMENT AND TECHNOLOGY**
2 **COMMERCIALIZATION CORPORATION.**

3 (a) ASSESSMENT OF TECHNOLOGY UTILIZATION AND
4 COMMERCIALIZATION PROGRAMS OF THE FEDERAL GOV-
5 ERNMENT.—

6 (1) IN GENERAL.—The Director of the Office of
7 Science and Technology Policy in the Executive Of-
8 fice of the President shall—

9 (A) assess the performance of technology
10 utilization and commercialization programs of
11 the Federal Government as of the date of the
12 enactment of this Act;

13 (B) evaluate the advantages and disadvan-
14 tages of a centralized as opposed to a decentral-
15 ized approach to technology utilization and
16 commercialization; and

17 (C) develop recommendations on ways to
18 improve the technology utilization and commer-
19 cialization efforts of the Federal Government.

20 (2) REPORT.—The Director of the Office of
21 Science and Technology Policy shall submit a report
22 containing the findings, conclusions, and rec-
23 ommendations of the Director pursuant to para-
24 graph (1) to the President, the Committee on Bank-
25 ing, Finance and Urban Affairs and the Committee
26 on Science, Space, and Technology of the House of

1 Representatives, and the Committee on Commerce,
2 Science, and Transportation of the Senate.

3 (3) CONSULTATION.—In carrying out the duties
4 of the Director under paragraph (1), the Director
5 shall consult with interested agencies and depart-
6 ment of the Federal Government.

7 (b) IMPROVED INTEGRATION OF TECHNOLOGY COM-
8 Mercialization Programs and Federal Programs
9 TO ASSIST ECONOMICALLY DISTRESSED COMMUNITIES.—

10 (1) IN GENERAL.—The Secretary shall identify
11 ways to promote more effective integration of Fed-
12 eral policies and programs relating to technology uti-
13 lization and commercialization with Federal policies
14 and programs for assisting economically distressed
15 communities establish stable and diversified local
16 economies.

17 (2) REPORT.—The Secretary shall submit a re-
18 port containing any findings, conclusions, and rec-
19 ommendations of the Secretary pursuant to para-
20 graph (1) to the President, the Committee on Bank-
21 ing, Finance and Urban Affairs and the Committee
22 on Science, Space, and Technology of the House of
23 Representatives, and the Committee on Commerce,
24 Science, and Transportation of the Senate.

25 (c) ESTABLISHMENT OF CORPORATION.—

1 (1) IN GENERAL.—Not later than the earlier
2 of—

3 (A) the end of the 12-month period begin-
4 ning on the date of the enactment of this Act;
5 or

6 (B) the end of the 30-day period beginning
7 on the date the report of the Director of the Of-
8 fice of Science and Technology Policy is submit-
9 ted to the President pursuant to subsection
10 (a)(2),

11 the President shall provide for the establishment of
12 a corporation to be known as the “Business Devel-
13 opment and Technology Commercialization Corpora-
14 tion” (hereafter in this title referred to as the “Cor-
15 poration”), unless the President, after consideration
16 of such report, makes a finding that the establish-
17 ment of the Corporation would impair the operation
18 of the Federal policies and programs relating to
19 technology utilization and commercialization.

20 (2) REPORT TO CONGRESS.—If the President
21 makes a finding described in paragraph (1) with re-
22 spect to the establishment of the Corporation, the
23 President shall transmit a report describing the
24 basis for the finding to the Committee on Banking,
25 Finance and Urban Affairs and the Committee on

1 Science, Space, and Technology of the House of
2 Representatives, and the Committee on Commerce,
3 Science, and Transportation of the Senate.

4 (3) PURPOSE.—The Corporation shall be oper-
5 ated for the purpose of fostering economic growth,
6 assisting in the creation of new employment oppor-
7 tunities, and strengthening the industrial base of the
8 United States by facilitating the utilization and com-
9 mercialization of technologies, processes, and other
10 proprietary rights—

11 (A) owned or held in whole or part by Fed-
12 eral departments, agencies, or government-con-
13 trolled corporations;

14 (B) developed in Federal laboratories;

15 (C) arising in the course of federally fund-
16 ed research at educational institutions, other
17 units of government, or with private concerns;
18 and

19 (D) which are made available by private
20 concerns.

21 (4) CORPORATION NOT AN ESTABLISHMENT OF
22 THE UNITED STATES.—The Corporation shall not be
23 an agency or establishment of the United States.

24 (d) PROCESS OF ORGANIZATION.—

25 (1) INCORPORATION.—

1 (A) IN GENERAL.—The Secretary, the Sec-
2 retary of Labor, and the Administrator of the
3 Small Business Administration shall—

4 (i) provide for the establishment of
5 the Corporation under the business cor-
6 poration laws of such State as the Presi-
7 dent determines to be appropriate; and

8 (ii) serve as the incorporators of the
9 Corporation and as the initial members of
10 the board of directors of the Corporation
11 until their successors are elected and quali-
12 fied.

13 (B) NECESSARY ACTION AUTHORIZED.—
14 The incorporators referred to in subparagraph
15 (A) shall take such other actions as may be nec-
16 essary to establish the Corporation.

17 (C) REVIEW OF PROPOSED ORGANIZATION
18 OF CORPORATION.—The President shall request
19 the National Academy of Public Administration
20 to—

21 (i) review the proposed organization of
22 the Corporation to ensure that the organi-
23 zation plan conforms with sound principles
24 of administration; and

1 (ii) submit a report to the President
2 in a timely manner with the Academy's
3 such findings, conclusions, and rec-
4 ommendations the Academy may determine
5 to be appropriate.

6 (2) PRIVATIZATION OF THE CORPORATION.—

7 (A) IN GENERAL.—Following the establish-
8 ment of the Corporation, the Corporation shall
9 be converted to private ownership and manage-
10 ment in such form and manner as the President
11 determines to be appropriate, after consulting
12 with the Committee on Banking, Finance and
13 Urban Affairs and the Committee on Science,
14 Space, and Technology of the House of Rep-
15 resentatives, and the Committee on Commerce,
16 Science, and Transportation of the Senate.

17 (B) SOLICITATION OF PROPOSALS FOR
18 CONVERSION.—The President shall solicit pro-
19 posals for the conversion of the Corporation to
20 private ownership and management.

21 (3) SELECTION CRITERIA AND PROCEDURES.—

22 (A) IN GENERAL.—The President, in con-
23 sultation with the Secretary, shall make the
24 final selection of a proposal for the conversion

1 of the Corporation to private ownership and
2 management.

3 (B) CRITERIA FOR SELECTING A PRO-
4 POSAL TO RECOMMEND TO THE PRESIDENT.—
5 In selecting a proposal to recommend to the
6 President for the conversion of the Corporation,
7 as described in subparagraph (A), the Secretary
8 shall take into consideration the following fac-
9 tors—

10 (i) the quality of the operational plan;

11 (ii) the soundness of the financing of
12 the organization and of the operational
13 plan;

14 (iii) the qualifications of, and the di-
15 versity of talents and skills represented by,
16 the submitters of the proposal, including
17 the extent to which a combination of orga-
18 nizations is submitting a joint proposal;

19 (iv) whether a State government, or
20 unit of a State government, is participat-
21 ing financially with the organization sub-
22 mitting a proposal;

23 (v) the intentions of the submitters of
24 the proposal to locate the headquarters of
25 the Corporation in an area which is not lo-

1 cated in the 50 largest Metropolitan Sta-
2 tistical Areas, based on the 1990 Census;
3 and

4 (vi) such other factors as the
5 incorporators determine to be appropriate
6 in meeting the purposes of this title.

7 (C) PROCEDURES FOR SELECTING A PRO-
8 POSAL TO RECOMMEND TO THE PRESIDENT.—

9 In selecting a proposal to recommend to the
10 President for the conversion of the Corporation,
11 as described in subparagraph (A), the Secretary
12 shall ensure that in the selection process—

13 (i) not less than 3 proposals are iden-
14 tified as proposals to receive further con-
15 sideration, as provided in clauses (ii) and
16 (iii), except that, if fewer than 3 proposals
17 are received, each of them shall receive fur-
18 ther consideration;

19 (ii) a review procedure is implemented
20 under which the sponsors of the proposals
21 identified in clause (i) are provided an op-
22 portunity to make personal presentations
23 of their proposals to the Secretary or the
24 Secretary's designee; and

1 (iii) individual negotiations for the re-
2 vision of proposals identified in clause (i)
3 may be entered into.

4 (4) WARRANTS FOR PARTICIPATION IN
5 GAINS.—The President may, in connection with any
6 contract or agreement for converting the Corpora-
7 tion to private ownership and contingent on the fi-
8 nancial success of the Corporation, retain the right
9 to participate in the financial gains of the Corpora-
10 tion in such amounts as the President may deter-
11 mine to be appropriate, after consulting with the
12 Committee on Banking, Finance and Urban Affairs
13 and the Committee on Science, Space, and Tech-
14 nology of the House of Representatives, and the
15 Committee on Commerce, Science, and Transpor-
16 tation of the Senate.

17 (e) PROHIBITION ON CONFLICTS OF INTEREST.—

18 (1) IN GENERAL.—An officer or employee of
19 the Corporation may not participate in a matter re-
20 garding an application, claim, or other matter pend-
21 ing before the Corporation if, to such person's
22 knowledge, the person, the person's spouse, minor
23 child, parent, sibling, or partner, or an organization,
24 other than the Corporation, in which the person is
25 serving as an officer, director, trustee, partner, or

1 employee, or any person with whom the person is ne-
2 negotiating or has any arrangement concerning per-
3 spective employment, has a financial interest in the
4 matter.

5 (2) CONSEQUENCE OF VIOLATION.—An officer
6 or employee who violates this subsection shall be
7 subject to termination, but such a violation shall not
8 impair, nullify, or otherwise affect the validity of any
9 otherwise lawful action by the Corporation in which
10 such officer or employee participated.

11 (f) GENERAL POWERS.—In addition to the usual
12 powers conferred upon a corporation under the business
13 corporation laws of the State in which the Corporation is
14 incorporated, the Corporation shall have such other inci-
15 dental powers not inconsistent with this section that are
16 necessary or appropriate to carry out the purposes and
17 functions of the Corporation.

18 (g) PROMOTION OF TECHNOLOGIES.—

19 (1) MARKETING OF TECHNOLOGIES.—The Cor-
20 poration shall undertake an aggressive, multifaceted
21 outreach program to increase awareness of the avail-
22 ability of technologies, processes, and other propri-
23 etary rights to qualified concerns under this title.
24 This program shall emphasize the use of new infor-
25 mation technologies, including the utilization of

1 cable television and the modern electronic media,
2 and the data base established under this title.

3 (2) UTILIZATION OF CABLE TELEVISION.—

4 (A) IN GENERAL.—In implementing the
5 outreach program provided under paragraph
6 (1), the Corporation shall enter into negotia-
7 tions for the utilization of cable television for
8 marketing efforts for the commercialization of
9 technologies, processes, and other proprietary
10 rights—

11 (i) owned or held in whole or part by
12 Federal departments, agencies, or govern-
13 ment controlled corporations;

14 (ii) develop in Federal laboratories;

15 (iii) arising in the course of federally
16 funded research at educational institutions,
17 other units of government or with private
18 concerns; and

19 (iv) which are otherwise made avail-
20 able to the government by private con-
21 cerns.

22 (B) PROMOTIONAL FEES.—Under terms
23 negotiated between the Secretary and the Cor-
24 poration, the Secretary is authorized to make
25 payments to the Corporation for promotional

1 fees for the production of segments for broad-
2 cast over cable television, or other appropriate
3 media, which identify—

4 (i) the technologies described in para-
5 graph (A);

6 (ii) their potential commercial applica-
7 tions; and

8 (iii) methods available for obtaining
9 additional information on the technologies.

10 (3) TECHNICAL ASSISTANCE.—The Corporation
11 shall, upon request, provide technical assistance and
12 services, as appropriate and needed, to qualified con-
13 cerns under this title.

14 (4) OUTREACH TO SPECIFIC AREAS AND SMALL
15 BUSINESSES.—The Corporation shall seek to ensure
16 that qualified concerns and small businesses located
17 in areas determined by the Secretary to have a de-
18 pressed economy or chronically high unemployment
19 are notified of the availability of assistance through
20 the program established under this section and, to
21 the extent practicable, to encourage and facilitate
22 the participation of such qualified concerns and
23 small businesses in such program.

24 (h) AUTHORITY TO REPRESENT THE GOVERN-
25 MENT.—

1 (1) IN GENERAL.—In accordance with regula-
2 tions prescribed by the Secretary, the Corporation
3 shall act as an agent, and represent the interests, of
4 the Federal Government in facilitating the utiliza-
5 tion of technologies, processes, and other proprietary
6 rights by qualified concerns under this title.

7 (2) RIGHTS OF QUALIFIED CONCERNS.—In ac-
8 cordance with regulations promulgated by the Sec-
9 retary, the Corporation may convey, to qualified con-
10 cerns, under terms and conditions to be negotiated
11 between the Corporations and qualified concerns,
12 such rights which may be necessary and appropriate
13 to facilitate the utilization and commercialization of
14 technologies, processes, and other proprietary rights
15 as provided under this title.

16 (3) MINIMUM RIGHTS OF THE FEDERAL GOV-
17 ERNMENT.—In the conveyance of rights to qualified
18 concerns as provided for under paragraph (2), the
19 Corporation shall ensure the following:

20 (A) The conveyance agreement contains
21 language providing for the rights of the Cor-
22 poration to revoke the rights provided under
23 paragraph (2) if—

24 (i) the qualified concern does not
25 demonstrate that it is undertaking a good

1 faith effort to achieve the utilization and
2 commercialization of the technology, proc-
3 ess, or other proprietary right; or

4 (ii) the Secretary certifies that the in-
5 terests of national security or the general
6 welfare of the American people necessitates
7 the revocation of such rights.

8 (B) The Federal Government retains a li-
9 cense to such technologies, processes, and other
10 proprietary rights for the Government's own
11 use.

12 (C) The Federal Government receives in
13 compensation for the conveyance of such
14 rights—

15 (i) royalties;

16 (ii) the right to share in the earnings
17 of the qualified entity proportionate to the
18 value of the rights so conveyed; or

19 (iii) a sum of money or other com-
20 pensation that the Corporation determines
21 to be appropriate.

22 (4) AGENT'S FEES.—Under such terms as the
23 Secretary and the Corporation may negotiate, after
24 consulting with the Committee on Banking, Finance
25 and Urban Affairs and the Committee on Science,

1 Space and Technology of the House of Representa-
2 tives, and the Committee on Commerce, Science, and
3 Transportation of the Senate, the Corporation may
4 retain a percentage of any royalties or other com-
5 pensation accruing to the Federal Government in
6 connection with any licensing agreement entered into
7 by the Corporation on behalf of the Federal Govern-
8 ment.

9 (i) CONSULTATION WITH FEDERAL AGENCIES, AND
10 WITH PRIVATE PARTIES.—

11 (1) CONSULTATION WITH FEDERAL AGEN-
12 CIES.—In carrying out this title, the Board and the
13 Corporation shall consult frequently with the Sec-
14 retary, and such Federal agencies and departments
15 as is appropriate, to ensure coordination and the
16 maximum utilization of all related Federal resources
17 to promote technology utilization and commercializa-
18 tion.

19 (2) CONSULTATION WITH PRIVATE PARTIES.—
20 In carrying out this title, the Board and the Cor-
21 poration shall solicit comments from private parties,
22 including representatives of finance, industry, and
23 organized labor on the role of the Corporation and
24 the needs of private parties.

1 (j) AUDIT BY COMPTROLLER GENERAL.—The Comp-
2 troller General of the United States may audit the finan-
3 cial transactions of the Corporation. For the purposes of
4 carrying out such an audit, the Comptroller General shall
5 have access to all books, records, and property belonging
6 to, or in the possession of, the Corporation. In the case
7 of a person or entity which has entered into a financial
8 relationship with the Corporation, the Comptroller Gen-
9 eral shall have access only to those books, records, and
10 property belonging to, or the possession of, the person or
11 entity which pertain to the Corporation and which are nec-
12 essary to carry out the audit. The Comptroller General
13 shall make a report of each audit to the Congress and
14 the President.

15 (k) INFORMATION AND OTHER ASSISTANCE FROM
16 FEDERAL AGENCIES.—Upon the request of the Corpora-
17 tion, the head of a Federal department or agency is au-
18 thorized to—

19 (1) furnish to the Corporation such information
20 which is available to the agency as the Board deems
21 necessary for carrying out its functions; and

22 (2) detail for temporary duty, on a reimburs-
23 able basis, such personnel as the Corporations deter-
24 mines to be necessary to carry out its functions.

25 (l) MISCELLANEOUS PROVISIONS.—

1 (1) JURISDICTION.—

2 (A) IN GENERAL.—Whenever the Corpora-
3 tion is a party to any civil action under this
4 title, such action shall be deemed to arise under
5 the laws of the United States. No attachment
6 or execution may be issued against the Corpora-
7 tion, or any property thereof, prior to entry of
8 final judgment.

9 (B) CITIZENSHIP OF CORPORATION.—The
10 Corporation shall be deemed to be a citizen of
11 the District of Columbia for the purpose of de-
12 termining the original jurisdiction of the district
13 courts of the United States in civil actions to
14 which the Corporation is a party.

15 (2) BUSINESS ACTIVITY AND QUALIFICATION.—
16 The Corporation shall be deemed to be qualified to
17 do business in each State in which it performs any
18 activity authorized under this title.

19 (m) UTILIZATION OF CORPORATION.—It is the sense
20 of the Congress that all Federal departments, agencies,
21 institutions of higher education, and laboratories, and all
22 institutions of higher education and laboratories which are
23 otherwise supported by Federal funds, should use the serv-
24 ices of the Corporation to the maximum extent possible.

1 **SEC. 305. ASSISTANCE TO BUSINESSES IN SECURING**
2 **FINANCING.**

3 (a) INFORMATION CLEARINGHOUSE.—The Corpora-
4 tion established under this title shall act as a one-stop
5 clearinghouse for information to assist qualified concerns
6 identify sources of business development and technology
7 commercialization financing available through the Federal
8 Government as well as through applicable State and local
9 government programs and through private sources.

10 (b) AGENT OF THE FEDERAL GOVERNMENT.—The
11 Corporation may act as an agent of the Federal Govern-
12 ment for purposes of accepting applications for financial
13 assistance and their submission to the appropriate Federal
14 agency on behalf of a qualified concern.

15 (c) TECHNICAL ASSISTANCE FOR LENDERS AND
16 BORROWERS.—The Corporation shall, upon request, pro-
17 vide technical assistance and services, as appropriate and
18 needed, to lenders and borrowers under this title, and shall
19 ensure that such lenders and borrowers have ready access
20 to appropriate assistance in order to aid such lenders and
21 borrowers in achieving the purposes of this title.

22 **SEC. 306. SAVINGS PROVISION.**

23 It is the intent of the Congress that this title shall
24 be construed as complementing any other provision of
25 Federal law relating to the licensing, utilization, or com-
26 mercialization of the use of technology and shall not be

1 construed as superseding any such provision, except as
2 otherwise provided in this title.

3 **SEC. 307. RULE OF CONSTRUCTION.**

4 Nothing in this Act or this title shall be construed
5 by the President, the Secretary of Commerce, the Cor-
6 poration, any Federal agency or department, or any court
7 to affect, alter, amend, modify, or change, or apply to,
8 any program or activity (or any technology developed, de-
9 rived, or provided through or under such program or activ-
10 ity by any means of any kind) of the Department of En-
11 ergy, the Department of Transportation, the Department
12 of Health and Human Services, or the Environmental Pro-
13 tection Agency or any office, bureau, commission, labora-
14 tory or facility of such agencies or departments.